

FEDERAL ENERGY REGULATORY COMMISSION
Office of Enforcement
Washington, DC 20426

March 21, 2007

**TO NONMAJOR PUBLIC UTILITIES AND LICENSEES
FILING FERC FORM NO. 1-F**

Enclosed are instructions and other pertinent information for use in preparation and submission of FERC Form No. 1-F, "Annual Report of Nonmajor Public Utilities and Licensees" (FERC Form 1-F), for the reporting year ending December 31, 2006.

HIGHLIGHTS

- Two new schedules were created to report transmission service and generation study costs, and amounts reported in ISO/RTO Settlement Statements,
- Two schedules were revised to allow for better comparability between public utilities and to improve the transparency of financial information,
- The deadline for filing the 2006 FERC Form 1-F is **April 18, 2007**, and
- The Office of Enforcement's Forms Administration and Data Branch has responsibility for administering FERC Form 1-F as well as answering questions concerning reporting and filing requirements.

NEW SCHEDULES FOR FERC FORM 1-F

The following new schedules were added by Order Nos. 668 and 668-A:¹

1. Transmission Service and Generation Interconnection Study Costs (p. 29), and
2. Amounts included in ISO/RTO Settlement Statements (p. 30).

Order No. 668 became effective on April 1, 2006. The new schedules should contain information for the last three quarters of 2006. If a full year's activity is reported at year end, please disclose this in a footnote to the schedule.

¹ *Accounting and Financial Reporting for Public Utilities Including RTOs*, Order No. 668, FERC Stats. & Regs. ¶ 31,199 (2005), *reh'g denied*, Order No. 668-A, FERC Stats. & Regs. ¶ 31,215 (2006), *reh'g denied*, 117 FERC ¶ 61,066 (2006).

REVISED SCHEDULES FOR FERC FORM 1-F

The following schedules were revised by Order No. 668:

1. Electric Operation and Maintenance Expenses (p. 21), and
2. Utility Plant Data (p. 24).

Form 1-F filers must report data that reflects the amounts in quarter 1 of 2006 according to the Uniform System of Accounts in effect prior to the effective date of Order No. 668, which is April 1, 2006. Filers must use the new accounts established under Order No. 668 to report amounts from the second quarter through year end 2006. The new schedules should contain information for the last three quarters of 2006. If a full year's activity is reported at year end, please disclose this in a footnote to the schedule.

WHO MUST SUBMIT FERC FORM 1-F

Each Nonmajor public utility and licensee must submit FERC Form 1-F. Nonmajor is defined in General Instruction No. 1, Classification of Utilities (18 C.F.R. Part 101 (2006)). Nonmajor is a utility or licensee not classified as Major and having total sales in each of the last three consecutive years of 10,000 megawatt-hours or more.

WHEN AND HOW TO SUBMIT FERC FORM 1-F

Companies filing FERC Form 1-F must file by April 18, 2007. Filers must submit an original and one copy of the FERC Form 1-F to the Secretary of the Commission at:

Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

A copy of the blank FERC Form 1-F may be found at <http://www.ferc.gov/docs-filing/hard-filing/form-1-f/form-1-f.pdf>

RESUBMISSIONS OF FERC FORM 1-F FILINGS

Companies may resubmit FERC Form 1-F. Explain the reason for the resubmission in your filing.

CPA CERTIFICATION STATEMENT FILING GUIDANCE

The Commission's regulations require a Report of Certification, generally referred to as the CPA Certification Statement, within 30 days after the filing date of FERC Form 1-F.² However, Major or Nonmajor public utilities or licensees previously classified as Class C or D prior to January 1, 1984, do not have to file a CPA Certification Statement.

The CPA Certification Statement must be filed with the Secretary of the Commission.

Filers are encouraged to file their CPA Certification Statement using eFiling. To further that effort, a new selection, "CPA Certification," will be added in the future to the dropdown "pick list" from which companies must choose when eFiling. Further instructions will be posted to the Commission's website at <http://www.ferc.gov/help/how-to.asp>.

OTHER REPORTING MATTERS

Questions Concerning Filing and Reporting Requirements for FERC Form 1-F

All informal questions regarding filing and reporting requirements and other matters relating to the reporting of information in FERC Form 1-F or the CPA Certification Statement should be directed to the Office of Enforcement's Forms Administration and Data Branch. Please contact Brenda Devine at 202-502-8522 or Brian Holmes at 202-502-6008 or send your question to form1-f@ferc.gov.

Requests for Extension of Time Related to FERC Form 1-F

All FERC Form 1-F filings for the 2006 reporting year are due on or before April 18, 2007. Filers are required to file on time. The Commission takes very seriously the matter of filing forms by the dates prescribed in its regulations. The Commission is in no way obligated to grant extensions of time, especially in instances where the circumstances are within the company's control. All filers are strongly encouraged to institute policies and procedures to ensure that FERC Form 1-F and CPA Certification Statement are filed by the dates prescribed in the regulations.³

² 18 C.F.R. §§ 41.10-41.12 (2006). *See Compliance with Financial Forms Filing Requirements*, 118 FERC ¶ 61,107 (2007).

³ *See* 118 FERC ¶ 61,107, *supra* note 2.

If an extraordinary situation will cause a filing delay, a request for an extension of time to file the material, including a detailed explanation, must be in writing and should be filed with the Secretary of the Commission before the established deadline. Filers are encouraged to eFile their requests. Filers may also mail their request to the Secretary of the Commission.

Filers that have not been granted an extension of time to file the required forms or related material by the filing due dates are deemed to be out of compliance with the Commission's regulations.

Technical Questions Regarding Submission and Downloading Issues

All technical problems and questions regarding submission and downloading Form 1-F data should be addressed to FERC Online Support toll-free at 1-866-208-3676 or ferconlinesupport@ferc.gov.

Finally, if you have any additional questions that are not covered by this letter, please contact at Brenda Devine at 202-502-8522 or Brian Holmes at 202-502-6008.

Sincerely,

A handwritten signature in black ink, appearing to read "Janice B. Nicholas", written in a cursive style.

Janice Garrison Nicholas
Chief Accountant and Director
Division of Financial Regulation